

Do Conditionalities Increase Support for Government Transfers? Supplemental Information*

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ARTICLE HISTORY

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ABSTRACT

Conditional Cash Transfers (CCTs) have spread through the developing world in the past two decades. It is often assumed that CCTs enjoy political support in the population precisely because they impose conditions on beneficiaries. This article employs survey-experiments in Brazil and Turkey to determine whether, and in what contexts, making government transfers conditional on behaviour of beneficiaries increases political support for the programs. Results show that conditional transfers are only marginally more popular than similar unconditional transfers in nationally representative samples, but that this difference is substantially larger among the better-off and among those primed to think of themselves as different from beneficiaries. These findings imply that conditionalities *per se* are not as strong a determinant of support for transfers as the literature suggests, but that they can still be helpful in building support for transfers among subsets of the population that are least likely to support them.

KEYWORDS

Conditional cash transfers (CCTs); redistribution; public opinion

Appendix A. The implicit behavioural model

Our theory and hypotheses are motivated and justified by an explicit behavioural model. The features of our hypothesis are built into this model by construction, so we do not pretend to be discovering here-to-fore unanticipated implications. Rather, we simply show that the hypothesis is internally logically consistent.

The individual of interest i is a non-beneficiary of government transfers and can be thought of as being among the better-off in a given society. We seek to assess her preferences over different types of government transfers that have the same 'redistributive content.' In other words, our goal is to describe this individual's preferences among transfers that cost the same and imply the same amount of redistribution towards the 'worse-off', but that differ with respect to whether they are conditional or not, and what type of conditionality they impose on beneficiaries.

We begin with the simple proposition that the utility that individual i derives from a government transfer is a positive function of the worthiness of the representative bene-

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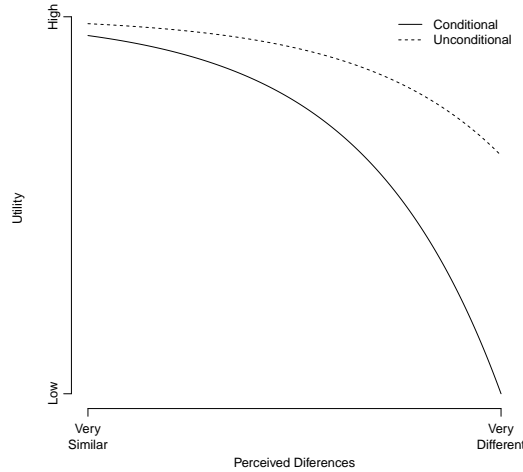


Figure A1. Illustration of Plausible Utility Functions for Respondents

ficiary j (as perceived by her). We define worthiness as a function of a one-dimensional summary of differences between i and j (as perceived by i) in any dimensions that are relevant in the given polity ($r \geq 0$), and of a general perception of merit m , which can be thought as capturing how industrious and/or vulnerable beneficiaries are perceived to be.

$$\text{worthiness} = -e^{r-m}.$$

Conditionalities affect worthiness by increasing perceived merit m . Defining c as a measure of conditionalities (more stringent conditionalities have higher values), we have that $m = f(c)$. The key expression of interest is the derivative of U_i relative to c .

$$\frac{\partial U_i}{\partial c} = \beta e^{r-c}$$

This expression is always positive: increasing c to impose or strengthen conditionalities on transfers should always yield greater utility to non-beneficiaries. Conditionalities, however, have declining marginal utility: their effects are larger when moving from a completely unconditional to a conditional transfer than from further strengthening of the conditionalities. The otherness hypothesis is motivated by this model because for larger values of perceived differences between r , the effects of c are larger; that is, when perceived differences are minimal ($r = 0$), the effects of conditionalities will be smallest. Figure A1 illustrates this point.

Appendix B. Targeting Details

In order to identify respondents who were advantaged in both dimensions, we based the Facebook geographical targeting and our internal vetting of respondents on the following definition of disadvantaged regions: North and Northeastern Brazil; South-

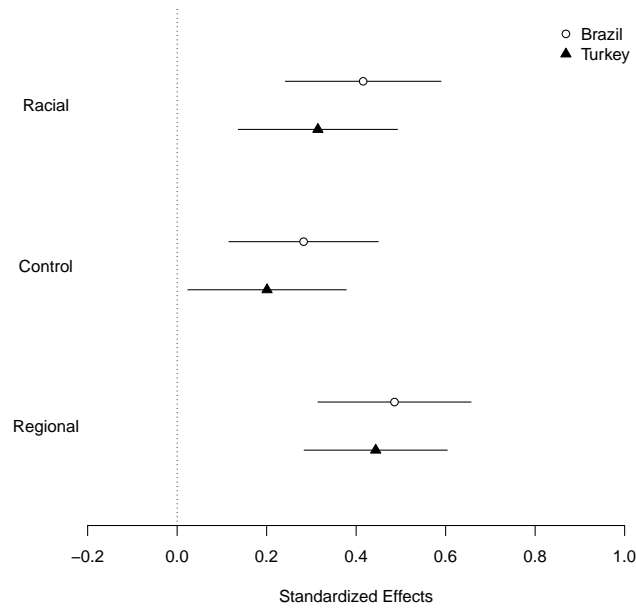


Figure C1. Estimates of the effects of the conditionality manipulation (i.e. the conditionality premium) without excluding non-attentive respondents and 95 percent confidence intervals for the different otherness conditions, after pooling the data from Studies 2 and 3, by country. Effects are reported in standard deviations of the outcome variable.

east Anatolia, East Anatolia, and some regions of Central Anatolia and the Black Sea in Turkey. Similarly, we defined disadvantaged ethnic/racial groups for use in our internal vetting as being comprised of all non-white and non-Asian in Brazil, and those whose mother language was not Turkish, English, French, or German in Turkey.

Appendix C. Results for Attentive Respondents

The results reported in the main body of the article excluded respondents that failed the attention screener. As Figure C1 shows, the substantive conclusions do not change if we include those respondents. For ease of interpretation, we report only pooled results for Studies 2 and 3, which can be easily compared with Figure ??, in the main body of the paper. Treatment effects for the regional and racial manipulations are slightly smaller than what we found for attentive respondents, which makes sense given that inattention adds noise to the estimates.

Results for each study are available upon request, in both studies in both countries the conditionality premium for respondents that received the regional manipulation is statistically significant and considerably larger than those in the otherness control group. In the control group, the conditionality premium is almost never statistically significant. For the racial manipulation, results are again less clear. We observed increases in the conditionality premium in Study 2, but not in Study 3.

Appendix D. The Exploratory Brazil Study

As a first approach to effect of conditionalities on support for transfers, we designed a simple experimental item that was embedded in a nationally representative survey fielded in Brazil just after the 2010 presidential election Ames et al. (2010). We sought to identify whether stressing the conditional aspect of Brazil’s Bolsa Famlia Program affected support for the program. The experiment had the simplest possible design, with a single treatment and a single control condition, randomly assigned to each respondent.¹ Respondents in the treatment group were presented with the full statement, below. Respondents in the control group did not receive the clause *in italics*.

Bolsa Famlia is a social program that pays monthly allowances to low income families, *and requires, among other things, that the families keep their children in school, and pay regular visits to the doctor.* Do you approve or disapprove of the Bolsa Famlia program?

To our surprise, there was very little variation between the treatment and control groups with respect to approval of the program, as shown in table D1. The average treatment effect was to increase support for CCTs by 1.4 percentage points after excluding all self-reported beneficiaries in the sample, and this effect was not statistically significant.² The effect was even smaller if we kept Bolsa Famlia beneficiaries in the sample. In short, the treatment did not lead to any change in opinion about Bolsa Famlia.

However, when we disaggregated the data by levels of income, an interesting pattern emerged. Among ‘high income’ respondents—defined as those in the top 15 percent of the income distribution—support was 16.1 percentage points higher in the treated group than in the untreated group. In contrast, there was no treatment effect among those in the lower 85 percent of the income distribution; in some income brackets, the point estimates were actually negative.

Table D1. Average and Heterogenous Treatment Effects — Exploratory Study

	Full Sample	Non CCT beneficiaries			
		All	Income		
			Lowest	Middle	Highest
Treatment (Conditional)	0.002	0.014	-0.021	-0.033	0.161
<i>p-value</i>	0.917	0.576	0.410	0.443	0.028
Intercept	0.895	0.854	0.955	0.843	0.672
<i>p-value</i>	<0.001	<0.001	<0.001	<0.001	<0.001
N	1196	790	321	314	142
R2	0.000	0.000	0.002	0.002	0.035

Table shows shares of respondents supportive of Bolsa Famlia across treatment conditions implemented in the BEPS 2010 survey, by income brackets Ames et al. (2010).

Appendix E. Work/Training Conditionalities

The complete Study 2 included another conditionality manipulation, one in which the conditionalities attached to the hypothetical transfer required beneficiaries to attend work training and household budgeting courses. For ease of presentation and symmetry between with Study 3, we did not report these results in the main body of the article.

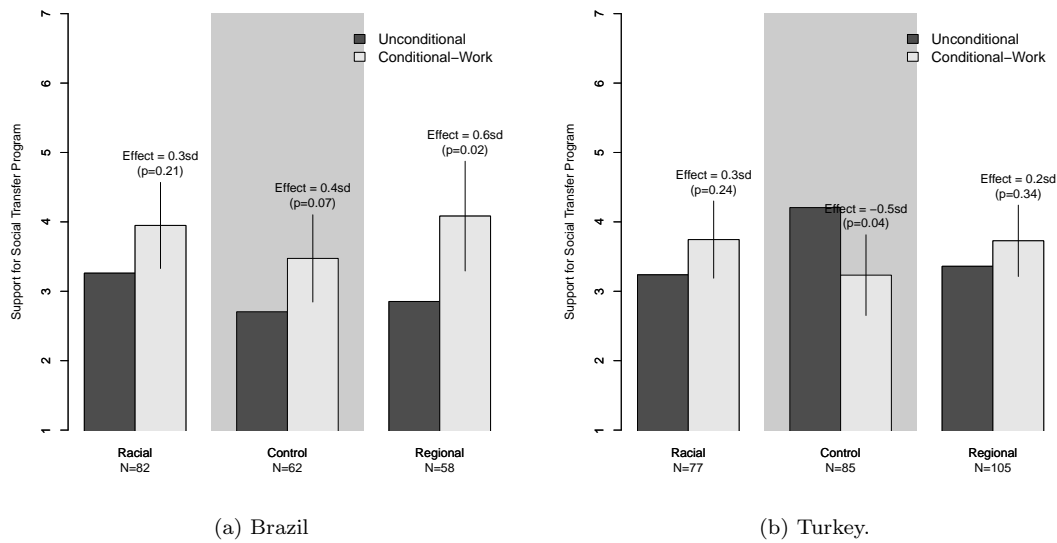


Figure E1. Interaction Effects of Work/Training Conditionality Manipulation in Study 2. Treatment conditions were produced by the combination of manipulations of otherness' and conditionality". Outcome was measured on a 7-point-scale. Effects are reported in standard deviations of the outcome variable for ease of comparison with Study 1.

In Figure E1, below, results are presented in the same format as the results for the child-related conditionality were presented in the main body of the article. As observed with child-related conditionalities, for Brazil and Turkey the conditionality premium for those in the otherness manipulations is either larger or equal to what we observe in the control group. Results for Brazil are, in fact, very similar to what we observed with the child-related conditionality: the conditionality premium is larger and significant in the regional manipulation and the racial manipulation showed no effect on the conditionality premium.

In Turkey the conditionality premium is larger in both manipulations of otherness relative to the control group with this work-based conditionality. In this sense, results do corroborate the otherness hypothesis, however, they are somewhat anomalous because this larger premium is driven by the fact that we observe a negative premium in the control group. The negative premium was such an outlier relative to all the other results we observed in all studies, in both countries, that we later performed some qualitative research to attempt to identify its origins. We leave a more detailed exploration of this issue for future work.

Notes

¹There were 1196 respondents to the survey, and 808 were not CCT beneficiaries. Of these, 405 were assigned to the control group and 403 to the treatment group. The survey was carried out using pen and article, with assignment of treatment randomized *ex-ante*, within each census sector sampled in the survey. Other observable differences between treated and untreated respondents were small under any metric used.

²We report simple differences in probabilities between control and treatment groups, but results do not change with the inclusion of controls.

References

Ames, B., Machado, F., Rennó, L., Lucio, Samuels, D., Smith, A., & Zucco Jr., C. (2010, December). *Brazilian electoral panel survey 2010*. (IADB Working Paper)